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**AZ CORP COMMISSION  
DOCKET CONTROL**

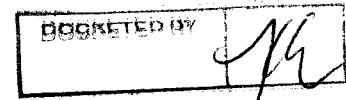
**Via Overnight Mail and  
Email to [mconnolly@az.cc.gov](mailto:mconnolly@az.cc.gov)**

Docket Control Center  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, AZ 85007

Arizona Corporation Commission

**DOCKETED**

**JUL 11 2016**



RE: Consolidated Telecom, Inc.  
Docket No. T-20965A-16-0133  
Responses to Staff's First Set of Data Requests

Dear Sir or Madam:

Enclosed please find for filing an original and thirteen (13) copies of the Responses to Staff's First Set of Data Requests.

All of the responses contained in the attached were provided by Jerome Jacobs, Vice-President of Consolidated Telecom, Inc., 2445 Gateway Drive, Suite 120, Irving, Texas 75063.

An additional copy of this letter has been enclosed to be date-stamped and returned in the envelope provided as evidence of the filing.

Should you have any questions, please contact the undersigned.

Sincerely,

Leon Nowalsky *LN*  
Counsel for Consolidated Telecom, Inc.

LN/rh

cc: Jerry Jacobs- Consolidated Telecom, Inc.

**In addition to a paper response, all information responses should also be provided in searchable PDF, DOC or EXCEL files via email or electronic media.**

**For each answer, please identify by name, title, and address each person providing information that forms the basis for the response provided.**

Please make sure each numbered item and each part of the item is answered completely

STF 1.1 Please provide a list of states where Consolidated has been granted an application to provide telecommunications service. Please include the type of service for which the company received authorization and (if applicable) the docket or case number.

Alabama – Docket No. 15957 12/9/14 – inmate phone service provider  
Arkansas – Docket No. 10-033-U 8/3/10, interexchange communications service provider  
Georgia – Docket #15102 6/6/03, institutional telecommunications services  
Idaho – Tariff accepted for filing on 12/10/2011  
Illinois – Docket 10-0029 3/4/10, reseller of interexchange services  
Indiana – Docket 438-6 10/9/09, certificate of territorial authority  
Michigan – Registrations filed 12/8/09 for Operator Services and Pay Telephone Service Provider  
Minnesota – Docket 14-47 5-14-14, inmate and alternative operator services  
Missouri – XA2003-0050 9/28/02, interexchange service provider  
Montana – Service Provider Registration for resale telecommunications to correctional institutions – no docket number.  
North Dakota – Registration filed 3/23/12 as a telecommunications service provider  
Nebraska – Application C-4698 9/23/2014, intrastate interexchange service provider  
Ohio- Cause #10-0023-TP-ACE; 90-6402-TP-TRF 2/8/10, inmate operator services  
Oklahoma – Cause PUD 200200165, Order #464108 6/3/02, interexchange telecommunications service provider  
Oregon – CP-1464 2/6/10, certificate of authority to provide interexchange telecommunications service  
South Dakota – TC13-034 6/25/13, interexchange and alternative operator service provider  
Texas – no registration number  
Utah – Notification of intent to operator 3/2/2010  
Washington – Registration UT-100214 3/6/2010  
Wisconsin – Docket 17084-TI-100 4-16-13, reseller

The Company operates in the states of Iowa and Florida which are deregulated for interexchange telecommunications services therefore no PSC authorizations are required.

STF 1.2 Please provide a list of states where Consolidated currently has application pending to provide telecommunications service. Please include the type of service for which

the company is requesting authorization and (if applicable) the docket or case number.

The Company currently has no applications pending with the exception of Arizona, but plans to file in Wyoming and Pennsylvania shortly.

STF 1.3 Please provide a list of states where Consolidated has had application to provide telecommunications service denied. Please include the type of service requested and (if applicable) the docket or case number.

None

STF 1.4 How does the Company enter into contracts with correctional facilities?

Either by Request for Proposal or just sending a proposal for providing service.

STF 1.5 Please provide a copy of the Local Exchange Company bill mentioned in the Application that contains the toll free customer service number.

Utilize pre-paid collect, debt, and calling card not LEC billing.

STF 1.6 Please provide a copy of the information packet mentioned in the application containing information on rates, dialing instructions, rules, etc. Please also indicate where this information can be found on the company's website.

CTEL provides a contract/installation specific information packet to the facility with any new contract/installation. The telephone has dialing instructions on its face. The rates are retrieved either via IVR prompts or literature provided to the facility. Rates will also be listed in CTEL's tariffs, if tariffs are required. CTEL has not developed an information packet for Arizona as it does not presently have any business or customers in Arizona.

STF 1.7 The Company indicates the information found in the packet is provided to inmates. Does the Company also provide this information to the facility management or family or friends of the inmate?

Yes, all information is provided to facility management staff and is included in a friends and family brochures which the facility keeps in the lobby.

STF 1.7 Will Consolidated being doing business in Arizona under any other name?

No just under Consolidated Telecom, Inc. and no other name.

STF 1.8 Will the recipient of a phone call placed from a correctional facility after listening to the rates have the option to refuse the call without incurring any charges?

Yes. Any person can block an individual call, or all calls by following the accept or reject function on the placed call.

STF 1.9 Please clarify whether or not Inmates will be allowed to call any number or person other than those approved by the Correctional Facility.

Certain numbers are specifically blocked by the correctional facility. Certain facilities use both PINS (Personal Identification Numbers) and PANS (Personal Allowed Numbers). All 900, 800, 411 are blocked unless rape hotline or other approved 800 number. Other numbers are free like Public Defenders, Attorneys, Counselors etc. The rules concerning what must be blocked or what is allowed are set by both the regulators and the facility and CTCL will comply with these rules and has provided the facility with a web based administrative system to address changes to the rules or system.

STF 1.10 Does the Company also plan to sell prepaid calling cards to inmates?

Yes. Calling cards (paper or paperless pin debit) are generally used by most facilities but not all facilities. The calling cards are generally sold through the commissary. Additionally, pin-debit is managed through an interface that transfers money from the inmates trust account.

STF 1.11 Will the Company allow inmates to complete calls using alternative toll carriers?

No. The system will not allow calls to be transferred to an operator services company for routing to alternative carriers.

STF 1.12 Please explain in detail how an inmate will make and complete a call. Please include the steps by which the call will be completed including the technical aspects of how billing charges will be recorded.

The system checks each dialed telephone number against the PIN's or PANS telephone number list, the global restricted numbers list, and the global allowed numbers list.

If the number is restricted, it blocks the call. If the number is valid, it out-dials the number and begins to check the line for extra dialed digits by the caller or other potentially fraudulent events, such as the called party initiating a 3-way call. The system can be configured to disconnect calls as soon as it detects extra digits or a potentially fraudulent event. The number of digits it detects before disconnecting can be specifically arranged to the facility's desire.

When an inmate places a call at a telephone, the system collects and uses specific information about that call. The information collected about the call includes:

- The day of the week and time of day
- The telephone being used by the inmate
- The calling card used (if any)
- The person making the call (if PINs are required for that telephone)
- The telephone number dialed
- The duration of the call
- Charge of the call

The system compares this information (day and time, telephone, PIN, and telephone number dialed) against its databases to decide whether to allow the call and, if so, how to process the call.

All inmate telephone lines, or circuits, are wired through the system. These telephone lines aren't required to be set up identically. Individual telephones are set to allow only certain types of calls, pre-paid collect calls, direct calls, calling card, or debit calls to specific telephone numbers. Also, depending on the telephone used, the inmate may be required to enter a PIN when placing a call (or PAN only Allowed Numbers).

The telephone number dialed is used to determine whether the call is restricted or allowed, and if the duration of the call will be limited to a particular length. Phone numbers can be allowed for some telephones and not others. Also, the number of calls that can be placed to a telephone number can be specified.

After the system establishes that the call is allowed, it sets the maximum length and determines how to handle the call. Then it accesses an outside line and out-dials the telephone number. Before out-dialing, the maximum call length can be announced to the inmate. When out-dialing is complete, the inmate is connected to the outside line through the system.

While a call is in progress, other messages can be played alerting both parties to the origin of the call and the amount of time remaining in the call. The line can be monitored for extra digits being dialed (DTMF) and/or 3-way calling, which could be an attempt at fraud.

If (DTMF) dual-tone multi-frequency is detected, the system either disconnects the call, or automatically dials interfering digits. The DTMF and message parameters can be set globally or by call treatment.

If a (PFE) potentially fraudulent event is detected, such as the activation of a 3-way call by the called party, the system can either disconnect and flag the call, announce a warning and flag the call, or just flag the call. Users can also configure specific call types or calls to specific numbers to ignore PFEs. This way the system can ignore PFEs detected during calls to attorneys while responding to PFEs during all other calls.

The call ends when one of three events occurs: the inmate hangs up, the called party hangs up, or the system disconnects the line. The system will disconnect the line when the maximum call duration is met, when the telephone circuit is shutdown, or when DTMF or 3-way calling is detected and the system was set to disconnect.

When the call is complete, the system generates a CDR that contains information about the call and how the call was processed by the system. Information such as the dialed number, the PIN, the telephone line, the day and time of the call, the call duration, the dialing pattern, and the databases that processed the telephone number are collected. The CDRs can be reviewed using our web-based facility manager.

STF 1.13 How will refunds be issued?

Refunds are requested via the web site, calling our office directly, or by calling out customer care center. Refunds are processed daily but the process from the request to receipt of the refund can take up to 7-10 days.

STF 1.14 How long can a local call last before additional charges, if any, are applied?

The facility determines the length of the call. Generally most calls are 15 minutes in duration. Some facilities may be longer or shorter. CTEL does not dictate the length of the call.

STF 1.15 Please provide a description of the design and technical specifications of the telephone instruments used to provide phone service for inmates. What entity owns the telephones?

The Manufacture Phillips & Brooks/Gladwin is heavy duty (14 gauge) steel housing, sealed magnetic hook switch, heavy chrome metal keypad, built-in background noise reduction circuitry, conformal coating of electronics, solid state electronic dial with modular handset and other connections.

The armored handset cord with steel lanyard and retainer bracket. It has built-in instruction card window and space. It is lined powered, utilizing external processor for all restrictions and routing. CTEL owns all the equipment not the facility.

STF 1.16 Does the Company offer any services not described in its proposed tariff?

Yes. Video Visitation.

STF 1.17 Does the Company have in place provisions for the termination of service at a facility? If so, please describe the situations that would cause such action and the process for the termination.

Generally, the contract has a term limitation ranging from (3) three to (5) five years. A material breach of the contract could warrant termination. A sample contract will be provided upon request.

STF 1.18 Please make the following changes to the proposed tariff:

Page 1: Remove "Iowa" and replace it with "Arizona".

Page 11: Please include the "late payment penalty" mentioned in section f).

Page 12: Please include Commission customer complaint contact information for the Commission's Tucson office.

Page 14: Please include the Commission rule that determines the annual interest rate of a deposit.

STF 1.19 Please provide the "currently effective rate caps ordered by the Commission" and the Order that set those in place.

There are no surcharges or flat rates after June 20, 2016. Everything is on a per minute basis in accordance with the FCC's new regulations. The per minute charge varies per

the size of the facility and the cost recovery fee/commission paid to the facility. The stay of the proposed rates by the US Court of Appeals Washington DC allow carrying rates. Currently, we have a range from .16 cents per minute to .40 cents per minute. Should the FCC prevail in the litigation the per minute rate will be determined by the size of the facility. We estimate that most all of our sites will be in the .22 cents proposed FCC rate due to the size of the facility.

STF 1.20 Please explain how the "fixed service charge" mentioned in section 4.2 does not conflict with the Federal Communications Commission Public Notice DA 16-332 which indicates 47 CFR § 64.6080 as a rule prohibiting per call or per connection charges.

The rates filed in the proposed tariff must be changed due to the FCC Public Notice as of June 20, 2016 and will be amended under separate cover.

SRF 1.21 For each charge listed on page 17 of the proposed tariff, please explain how it meets the FCC rules set forth in DA 16-332 including the levels set by the Permitted Ancillary Service Charges and Taxes.

The rates filed in the proposed tariff must be changed due to the FCC Public Notice as of June 20, 2016. CTCL doesn't provide paper bills so there is no charge. Our Ancillary Charges are as follows:

\$5.95 Call Center

\$3.00 IVR and Web payment .

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TITLE SHEET

ARIZONA INMATE TELECOMMUNICATIONS TARIFF

This tariff contains the descriptions, regulations, and rates applicable to the furnishing of inmate telecommunications services provided by Consolidated Telecom, Inc. with the principal offices at 2445 Gateway Drive, Suite 120, Irving, TX 75038. This tariff applies to services furnished within the state of Arizona. This tariff is on file with the Arizona Corporation Commission and may be inspected during normal business hours at the Company's principal place of business.

The Company's telephone and fax numbers are:

Telephone (972) 679-2722

Fax (972) 239-2358

Toll Free: 800-583-9683

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Issued:

Effective:

By: Jerome Jacobs, Vice President  
Consolidated Telecom, Inc.  
2445 Gateway Drive, Suite 120  
Irving, TX 75063

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2.4 Payment and Charges for Services

- a) Service is provided and billed on a monthly basis.
- b) Payment is due upon receipt. Payment will be considered timely if paid within 20 days after the bill is rendered. The bill shall be considered rendered when deposited in the United States Postal Service with postage prepaid.
- c) In the event of a dispute concerning a bill, Customer must pay a sum equal to the amount of the undisputed portion of the bill and proceed with complaint procedures set forth in this tariff.
- d) The Customer is responsible for payment of all charges for service furnished to the Customer under this tariff.
- e) Customer is responsible for payment of any federal, state and local taxes (i.e. gross receipts tax, sales tax, municipal utilities tax) which will be listed as separate line items and which are not included in the quoted rates.
- f) Intentionally left blank.
- g) Customers will be charged on all checks returned to Company by the issuing entity.

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**SECTION 2 - RULES AND REGULATIONS (Continued)****2.5     Application of Charges**

The charges for service are those in effect for the period that service is furnished. If the charges for a period covered by a bill change after the bill has been rendered, the bill will be adjusted to reflect the new changes.

**2.6     Customer Complaint Procedure**

The Company will resolve any disputes brought to its attention as promptly and effectively as possible. Customer Service Representatives can be reached via the following toll-free telephone number: 1-800-583-9683.

Any unresolved disputes may be directed to :

Arizona Corporation Commission  
Utilities Division  
1200 West Washington St.  
Phoenix, AZ 85007-2996  
Telephone Number: 602-542-4251  
Toll Free Number: 800-222-7000  
Fax Number: 602-542-2129  
Email: [mailmaster@aszz.gov](mailto:mailmaster@aszz.gov)  
Website: [www.cc.state.az.us](http://www.cc.state.az.us)

Arizona Corporation Commission  
400 W. Congress, Second Fl.  
Tucson, AZ 85701  
Telephone Number : 520-628-6550  
Toll Free Number: 1-800-535-0148

**2.7     Calculation of Credit Allowance**

Customers have up to 60 days (commencing 5 days after remittance of the bill) to initiate a dispute over charges or to receive credits. The Company will try its best to resolve any disputes properly brought to its attention.

**2.8     Reporting Requirements**

All Inmate Phone Service providers shall submit to the Commission, upon request but routinely on an annual basis by inmate facility location, a written report of all access lines and the number of telephone instruments used to provide Inmate Phone Service. The reporting period is as of the end of the month of May, annually. The report must be received at the Commission prior to the end of the succeeding month (June) that follows the reporting period.

2.8.1     Upon request from the Commission, IPS providers must, in a timely manner, and in accordance with the confidentiality agreements between the IPS provider and Commission staff as necessary; submit data requested by the Commission relating to its Arizona PS operations, including but not limited to, revenue, expenses, and facility/usage data by inmate facility.

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**SECTION 3 – DESCRIPTION OF SERVICE AND RATES****3.1 Timing of Calls**

The Customer's monthly usage charges for Company service are based upon the total number of minutes the customer uses and service options offered the Customer. Chargeable time begins when the connection is established between the calling station and the called station. Chargeable time ends when either party hangs up (disconnects).

**There are no charges to be incurred or billed for calls that are not completed.**

**3.1.1 Billing Increments**

Usage is billed in the increments set forth in the individual rate sections.

**3.1.2 Call Rounding**

All calls are rounded to the next highest billing increments, with the exception of flat rate charges cited in the individual rate sections. The total charge for a fraction of a cent will be rounded to the next highest whole cent where applicable.

**3.1.3 Deposits**

The Company may require deposits from a prospective Customer, disconnected Customer, or former Customer to be held as a guarantee for the payment of charges, in accordance with the General Rules of the Arizona Corporation Commission. Interest on deposits shall be paid annually at a rate of 7%, in accordance with the rules of the Commission, pursuant to Rule No. 14-2-603.B.3.

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